BEFORE THE KANSAS BOARD OF PHARMACY

In The Matter Of	.)		
)	Case No. 06-32B	
PARKER'S PHARMACY)	•	
Kansas Registration No. 2-05080)		

FINAL AGENCY ORDER

On September 12, 2006, a hearing was held before the Kansas Board of Pharmacy (the "Board") on the Petition to Revoke or Suspend the Kansas pharmacy registration for Parker's Pharmacy in the above-captioned matter. After considering the evidence admitted at the hearing, the Board enters the following order.

I. FINDINGS OF FACT

- 1. The Board previously issued Parker's Pharmacy registration number 2-05080, which entitled it to operate a pharmacy in the State of Kansas.
- 2. In a letter dated July 5, 2006, James Kinderknecht, R.Ph., a Board Inspector, inquired of Darrin L. Cox, PA, of Cotton-O'Neil Clinic whether Parker's Pharmacy had obtained authorization for twenty-five (25) new prescriptions. Mr. Cox responded that neither he nor his agent authorized the prescriptions. [Exhibit 1].
- 3. In a letter dated July 5, 2006, James Kinderknecht, R.Ph., a Board Inspector, inquired of Dr. Laurie Conway of Cotton-O'Neil Clinic whether Parker's Pharmacy had obtained authorization for forty-four (44) new prescriptions. Dr. Conway responded that she only authorized one (1) of the prescriptions. [Exhibit 2].

- 4. In an investigative report dated July 12, 2006, James Kinderknecht, R.Ph., a Board Inspector, provided documentation of sixty-five (65) new prescriptions from Parker's Pharmacy that were determined to be fraudulent. [Exhibit 3].
- 5. In an investigative report dated August 8, 2006, James Kinderknecht, R.Ph., a Board Inspector, provided documentation of information received from Blue Cross Blue Shield of Kansas that identified twenty-one (21) members who were billed for sixty-one (61) medications not dispensed by Parker's Pharmacy. [Exhibit 4].
- 6. In an investigative report dated June 16, 2006, James Kinderknecht, R.Ph., a Board Inspector, provided documentation of the Medicaid billing practices of Parker's Pharmacy from 2003 to May 23, 2006. [Exhibit 5].
- 7. In a summary report dated August 8, 2006, James Kinderknecht, R.Ph., a Board Inspector, summarized his investigative reports and opined that a large percentage of Parker's Pharmacy business was fraudulent. [Exhibit 6].

II. CONCLUSIONS OF LAW AND FACT

- 8. For a number of years, Jay Parker, R.Ph., of Parker's Pharmacy created numerous fraudulent prescriptions and fraudulently submitted claims for payment for those fraudulent prescriptions.
- 9. Parker's Pharmacy violated the Kansas Pharmacy Law as specified in Count I of the Petition to Revoke or Suspend the Registration of Parker's Pharmacy. As a result, the registration of Parker's Pharmacy may be revoked or suspended pursuant to K.S.A. 65-1627(e)(1).
- 10. Parker's Pharmacy violated the Kansas Pharmacy Law as specified in Count II of the Petition to Revoke or Suspend the Registration of Parker's Pharmacy. As a result, the

registration of Parker's Pharmacy may be revoked or suspended pursuant to K.S.A. 65-1627(e)(3).

III. FINAL ORDER

Based upon the evidence introduced at the hearing held September 12, 2006 and the foregoing findings and conclusions, the registration of Parker's Pharmacy to operate a pharmacy in Kansas (Kansas registration number 2-05080) is hereby revoked.

Parker's Pharmacy is hereby assessed an administrative fine in the amount of Eight Thousand Dollars (\$8,000.00).

Parker's Pharmacy shall sell all drugs remaining in its inventory to another registrant, or the drugs shall be destroyed, within two (2) weeks of the effective date of this Final Agency Order. If the registrant is to destroy any drug, such drug shall be destroyed in the presence of a Board representative.

Within fifteen (15) days after service of this Final Agency Order, either party may file a petition for reconsideration pursuant to K.S.A. 77-529.

Within the time limits established in K.S.A. 77-613, either party may seek judicial review of this Final Agency Order, pursuant to said statute. The agency officer designated to receive service of a petition for judicial review is:

Debra L. Billingsley Executive Director Kansas Board of Pharmacy 900 SW Jackson, Suite 560 Topeka, Kansas 66612-1231

IT IS SO ORDERED.

Date

MAX HÉIDRICK, R.PH.

President

Kansas Board of Pharmacy

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing FINAL AGENCY ORDER was sent by United States Mail, postage prepaid, on this the 21 day of NOWMON, 2006, and properly addressed to the following:

Jay Parker, R.Ph. Parker's Pharmacy 321 Jefferson Oskaloosa, Kansas 66066

Jay Parker, R.Ph. 1010 Elm Street Oskaloosa, Kansas 66066-5040

J. Richard Lake, Esq. 10 W. 5th Street Holton, Kansas 66436-1705

Randall J. Forbes, Esq. Frieden & Forbes 555 South Kansas Avenue, Suite 303 Topeka, Kansas 66603

Debra L. Billingsley

Executive Director

Kansas Board of Pharmacy